

# MEMORANDUM

Department of Budget and Finance

To: Barbara McDaniel, Assistant Town Clerk

Through: Chris Wallace, Budget and Finance Director

From: Carol Menke, Deputy Budget and Finance Director

Date: May 27, 1999

Subject: Request for Tabling of the Presentation of Financial Statements

Please table item 4.6 on the June 2, 1999 Town Council agenda, the presentation of the Comprehensive Annual Financial Report for Fiscal Year 1998, until the July 21, 1999 Town Council meeting. As explained in the accompanying letter sent to the Police Pension Board Chairman, the delay is the direct result of the Police Pension Board still having not yet issued their annual financial statements for the Town of Davie Police Pension Plan.

As always, if you have any questions about the above information or need any additional information just give me a call.

May 27, 1999

Town of Davie Police Pension Plan  
Attn: Frank Canellas, Chairman  
1230 Nob Hill Road  
Davie, Florida 33324

Dear Frank:

The purpose of this letter is to notify you in writing of the Town's extreme displeasure regarding the handling of the annual audit of the Police Pension Plan by the Police Pension Board(Board) and its external auditors. As you are aware, several years ago the Board chose to use a different external audit firm than the one engaged to audit the rest of the Town. Since that action by the Board we have experienced an annual frustration in trying to receive the Police Pension Plan's audited financial statements in a timely manner. As you know, the Town must wait on the issuance of the Police Pension Plan statements before the Town's statements can be issued because the Town is required to include the Police Pension Plan information in its annual report.

The delay this year, however, dwarfs the delays in all previous years and shows a total disdain for the Town's commitments and legal responsibilities related to issuing the Town's statements. Because the Police Pension Plan statements for the year ended September 30, 1998, STILL have not been issued, the Town is currently in technical default on its bonded indebtedness; has missed grant reporting deadlines; has missed the deadline for submitting its statements to the GFOA's Certificate of Achievement program; has had to repeatedly publicly table the presentation of its statements to subsequent dates; and has been questioned about the prolonged delay in making public the results of last year. In addition, your annual filing with the State of Florida for Chapter 185 funds must be delinquent which could impact future required Town contributions.

The Town demands that you and the other Board members resolve this problem immediately and provide the Town with the audited financial statements of the Police Pension Plan for the year ended September 30, 1998.

Sincerely,

Carol Menke  
Deputy Budget and Finance Director